Date: 22nd November, 2025

To,
Corporate Relations Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Company Code: ACCPL

Dear Sir/ Madam,

Subject: Transcript of Maiden Earnings Call pertaining to Un-Audited Financial Results for the Half year ended on 30th September, 2025 held on 18th November, 2025

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of audio call recording of the Company's earning call to discuss the financial performance of the Company for the half year ended 30th September, 2025 held on 18th November, 2025.

The Transcript will also be made available on the Company's website at: www.accretionpharma.com.

You are requested to kindly take on your record.

Thanking You.

Yours truly,
For Accretion Pharmaceuticals Limited

ROSHNI DHARMENDRABHAI SHAH
Digitally signed by ROSHNI DHARMENDRABHAI SHAH
Date: 2025.11.22 17:52:34 +05'30'

Roshni Shah
Company Secretary and Compliance Officer

Encl: as above

"Accretion Pharmaceuticals Limited

H1 FY '26 Earnings Conference Call"

November 18, 2025

Management: Mr. Vivek Patel – Promoter and Managing Director
Mr. Harshad Rathod – Promoter, Executive Director and Chief Financial Officer
Mr. Hardik Prajapati – Promoter and Executive Director
Mr. Mayur Popatlal Sojitra – Promoter and Non – Executive Director
Mr. Jeet Dasvani – Finance Analyst
Ms. Roshni Shah – Company Secretary and Compliance Officer
Adfactors PR, Investor Relations Advisors

Moderator: Ladies and gentlemen, good day and welcome to the H1 FY '26 Earnings Conference Call hosted by Accretion Pharmaceuticals Limited. This conference call may contain certain forward-looking statements based on the beliefs, opinions, and expectations as on the date of this call. The statements are not guarantees of future performance and involve certain risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on a touch-tone phone.

I now hand the conference over to Mr. Vivek Ashok Kumar, Promoter and Managing Director from Accretion Pharmaceuticals Ltd. Thank you and over to you, Sir.

Vivek Patel: Thank you so much. A very good morning to each and every present over here. A very warm welcome to all of you, all the shareholders, analysts, investors, joining us today for Accretion Pharmaceuticals Limited's maiden earnings conference call.

I have with me on call today, Mr. Harshad Nanubhai Rathod, Promoter, Executive Director and CFO. Mr. Hardik Prajapati, Promoter and Executive Director. Mr. Mayur Popatlal Sojitra, Promoter and Non-Executive Director. Mr. Jeet Dasvani, the Finance Analyst. Ms. Roshni Shah, Company Secretary and Compliance Officer and Adfactors PR, our Investor Relations Team.

It is indeed a proud moment for all of us at Accretion as we interact with the capital market community for the very first time after our successful listing on NSE Emerge platform in May 2025. This milestone marks a defining chapter in our journey. On that reflects our commitment to innovation, operational excellence, creating long-term value for our stakeholders.

Let me begin with a brief overview of the company. Accretion Pharmaceuticals, established in 2012 and headquartered in Ahmedabad, Gujarat, India, is a faster growing pharmaceutical company listed on the NSE Emerge platform since 21st May 2025,

specializing in the development, manufacturing and marketing of high-quality generic and branded formulations.

The company offers a diverse portfolio including tablets, capsules, oral liquid, oral powder and external preparation, serving both domestic and international markets across over 30 countries directly or indirectly.

Accretion's robust financial growth, strategic focus on direct exports and diversified product portfolio across therapeutic areas like antibiotics, antibacterial, antifungal, antihistamines, antiallergic, antitussive, anti-cold, anti-ulcer, antacid, vitamins and supplements and cardiac treatments position it for a sustained success operating from a state of art facility at 29 Xcelon Industrial Park, Ahmedabad, Gujarat, India.

Accretion provides contract development and manufacturing operations services, private label and third-party manufacturing for merchant exporter, domestic marketer and international clients. Our company is WHO-cGMP, GLP, Cambodia GMP, Rwanda GMP, Nigeria GMP, Malawi GMP, ISO 9001-2015, ISO 14001-2015 and ISO 22000-2018 certified and is led by an experienced Board of Directors and a professional and experienced management team with extensive experience in the pharmaceutical.

Accretion is well poised to capitalize on the Africa and Southeast Asia, Latin America and expand into high growth markets contributing significantly to India's reputation as a global pharmaceutical leader while delivering affordable, high quality healthcare solutions. Further to that, we are proud to be part of India's growing pharma industry.

India is now the world's third largest market for medicine and is known as the pharmacy of the world, because it provides many affordable,

high quality generic medicines to different countries. This role is becoming even more important as people in India learn more about healthcare, income rise and more patients need treatment for long-term disease.

Now let me share some of our major milestones since its inception. I am delighted to reflect our successful IPO listing on the NSE Emerge platform on 21st May 2025, a landmark achievement that has propelled our growth journey to new heights. Raising INR29.75 crores, we have strategically deployed this fund to enhance our state-of-art manufacturing capability, reduce debt and strengthen working capital resulting in 40% increase in the production capacity.

This milestone has not only reinforced our financial foundation but also amplified our ability to forge global CDMO partnerships, positioning Accretion as a trusted leader in delivering innovative, high quality pharmaceutical solutions worldwide.

I am immensely proud to announce our cGMP plant approval from the pharmacy and medicines regulatory authority, Malawi, a testament to our unwavering commitment to quality and global standards. This milestone not only opens direct export opportunity to Malawi but also strengthens our position as a trusted CDMO partner in African market. Africa has always been a key focus geography for us and this approval strengthens our ability to deepen relationships in the region.

We expect this development to contribute meaningfully to our export revenues, diversify our market presence and reinforce our mission of being a reliable global partner in healthcare. Our mission is to deliver reliable end-to-end development and manufacturing services while investing in advanced technology, sustainable operations and skilled talent.

We aim to provide efficient, cost-effective, flexible solutions that help our customers bring high quality medicines to market, faster reflecting our belief in growing together with our partners, people and community. Our vision is to become India's most trusted and innovative CDMO partner, empowering global and domestic pharmaceutical companies to deliver high quality medicine to patients faster, safely and at scale.

Looking ahead, we are excited about many opportunities in front of us. We remain committed to creating affordable and impactful healthcare solutions that support a healthier future and strengthen India's important role in the global pharmaceutical industry.

Our wide range of products including antibiotic, anti-inflammatory, anti-diabetic, cardiac treatments and health supplements gives us strong competitive advantage. Our drive for excellence pushes us to improve our current products and develop new ones, helping us stay competitive across different healthcare segments.

As a CDMO, our vision is to become a global leader in delivering innovative high-quality pharmaceutical solutions through advanced manufacturing, strong partnerships and modern formulation and development. We aim to offer cost-effective customized contract service that meet clients' needs and expand our presence across many therapeutic areas.

With that, I will now hand over the call to our CFO, Mr. Harshad Rathod, to take you through the financial performance in detail.

Harshad Rathod: Thank you, Vivek. Good morning, everyone. It's a pleasure to connect with all of you on our first earning call as a listed company.

In financial year 2024-25, we delivered strong performance. For financial year 2024-25, company recorded revenue from operations of

INR57.4 crores, registering a growth of around 70 year-on-year. EBITDA stood at approximately INR12 crores, with a margin of around 21%.

And profit after tax rose to INR6.8 crores, translating into a PAT margin of nearly 12%. This performance was driven by stronger utilization level, improved product mix and disciplined cost management. Our return on capital employed stood at 38%, reflecting efficient deployment of capital and healthy profitability.

Moving to our half-year financial performance. In the half-year ended September 2025, net revenue in H1 FY '26, INR43.74 crores, as against INR18.56 crores in H1 FY '25. Year-on-year growth of 135.59%, driven by strong volume expansion post IPO funded capex, a richer mix of value-added CDMO and private label formulation across oral solids, oral liquids, external preparations and oral powders, and expanded customer and geographical base.

The EBITDA, excluding other income, stood at INR7.07 crores in H1 FY '26, as against INR4.34 crores in H1 FY '25. Year-on-year growth of 63%. This growth was led by robust revenue tractions, better utilization of newly added capacities, and improved mix of higher margin value-added products.

The company is future focus on margin enhancement through strategic bulk sourcing, supply diversification, efficiency gain from new machinery, sharper batch planning, and tightened working capital disciplines. The EBITDA margin of half year stood at 16.17%. The profit after tax was INR4.75 crores in H1 FY '26, as against INR2.46 crores in H1 FY '25. Year-on-year growth of 92.81%. The PAT margin stood at 10.87%.

Following our successful IPO in May 2025, which raised INR29.75 crores, we have strategically utilized the proceeds as per plan. A

portion has been deployed towards upgrading our manufacturing facility with new equipment and enhanced capacity and compliance. Another part was used for repayment of selected borrowings, strengthening our balance sheet.

We have also augmented working capital to support growing order, enforce, and ensure operational agility. Our capital structure remains healthy with a low debt-to-equity ratio and adequate liquidity to fund for future expansion. We remain deeply focused on expanding our product registration in other high-potential markets such as Rwanda, Nigeria, and Cambodia, while continuing to enhance our branded portfolio to build long-term value.

Looking ahead, our strategy priorities are clear. To strengthening our CDMO capability, levering our technical expertise and quality infrastructure to enhance manufacturing capacity through a planned investment and equipment upgradation. To expand global reach, support by new regulatory approval and local partnerships, and to sustain double-digit growth with balanced mix of domestic and export revenue.

Going forward, our financial focus will remain on maintaining profitable growth, enhancing working capital efficiency, and ensuring consistent return ratio to prudent capital management. With our robust order book, expanding export market, and strengthened balance sheet, we are confident of delivering sustainable, profitable growth in FY '26 and beyond. With that, I conclude my remarks.

I would like to thank you, our investors, stakeholders, and team members for their continuous support and confidence in Accretion Pharmaceutical Limited. I will now hand over the call back to the moderator to open the floor for questions. Thank you.

Moderator: Thank you very much. The first question is from the line of Giri, an Individual Investor. Please go ahead.

Giri: Yes. Good morning, Mr. Vivek. Okay. Many congratulations on the maiden call.

Vivek Patel: Thank you so much. You may ask questions.

Giri: Yes, sir. So, I have a couple of questions, like, I'll go over. I mean, I didn't go through the detailed presentation. It's well documented. Pretty good times. So, a couple of questions in a strategic way, okay? I mean, what kind of a newcomer advantage that we have that differentiates from the existing players for a long-term sustainable revenue growth, you think, sir?

Vivek Patel: From the existing customers, we are more focusing on the more product mix, like we are increasing the product portfolio of the existing customers and that will eventually increase our sales revenue.

Giri: Okay. So, what will be our scaling strategy? So, you know, many companies, they said, okay, winning large contracts is something that everybody gives a standard answer. So apart from that, any other major milestone that you have in mind that will differentiate us with the big players already? How are we differentiated? How are we positioned?

Vivek Patel: Yes, we are more focussing on like, we have, as you have seen our presentation, we are more focussing on the exports and our current existing customers are more like merchant exporters or direct buyers. So, we are now focussing on the product registration and after the product registration, we will get more amount of demand from the existing customers and that we will fulfil their requirement and accordingly, we can grow.

Even we are also focussing on the geographies like different, the same customer is focussing on the other country also. So, we are also planning to develop a market in the, down the line we are focussing on the Philippines, Ghana, Sierra Leone, that market. So, geographically also we will grow and accordingly we will get more demand from the customers so we can cater them.

Giri: Understood. Thank you. So, with that said, right, what kind of important certification do you think that we are still missing? So, for us to compete with large companies who are already into this market? I mean, how big is that gap for us to bridge it?

Vivek Patel: Yes, currently, in pharma market, the basic thing is like we need to first register the plant registration, country registration. We have to register the country; their auditors will come to our plant and visit and audit and after that they will give the certification. After that we can go for the product registration. So this process is a bit time consuming.

So we have started all, we have already started all this process in the countries like Philippines, we have already audited the plant, Ghana also we have audited. The process is like 1 or 2 years it will take for the plant registration, after that product registration.

So, after getting all the registrations, we can get the business. So, we are getting that from the other, like the manufacturers, we are bridging that gap that they have already registered the plant and we are on the ongoing track.

Giri: Okay. So, this whole lead time you are saying it should be 1 or 2 years, right? How many...

Harshad Rathod: Sir, hello. Sir, Harshad this side. You are asking with the comparison with the listed company or other companies doing business in the same area, right?

Giri: Exactly. It doesn't mean listed or unlisted. Who is our competitor, right?

Harshad Rathod: Yes, sir. Actually, the main competitor, actually we are the CDMO company and we are getting very small distributor or any other companies that and the bigger player which are in the CDMO or direct exporting in the country, they are mainly catering to the traditional business.

They are operating through their channels in their respective countries. But nowadays, every country is not possible to catering to the traditional way that in just like any company who make a distribution channel for own that like MR distributor and all these things. So, we are directly catering to the importer who are the distributor and we make the distributor.

We develop a product for a distributor and we gave to them and they distribute in their respective country. and we are sometime in the initial level, we working in the small batches., We can cater in future very good numbers. We get the numbers, but as compared to the bigger player who are existing now, they do not cater smaller player as well as that distributor. They traditionally working as their supply chain only.

Giri: You are saying the traditional model is that they will have their own sales officer everything, but we do not follow that. We go by a distributor. So, we just promote our brand. So, the distribution -- so the distributor will spend on sales, marketing, anything you are saying. Is that right, sir?

Harshad Rathod: Yes, you are right.

Giri: So, I mean, you did mention that this whole life cycle takes about 1.5 to 2 years for a country like Philippines to be closed, right? So, how many countries we already have on board and how many we are working on, sir?

Harshad Rathod: There are so that plant registration countries already we have mentioned. We have Cambodia plant approval. We have Rwanda. We have Nigeria. We have already done Malawi. So, we -- four plant registration is there, but there are so many countries are there that African countries and Middle East countries which they require only product registration. They didn't require plant registration.

So, our presence is more than 30 countries, our presence product registration as well as product are available in more than 30 countries, which our distributors are there. We export to them and they through merchant exporter.

And there are so many other countries that already Mr. Vivek said, Philippines, Ghana, and Cameroon, as well as Sierra Leone. They are under pipeline as a plant registration and there are so more than 100 products are in the development as a product registration.

Giri: Okay. So, the go-to-market for a product registration will be much faster than a plant registration, is that correct, right?

Harshad Rathod: Yes, but some countries required first of plant registration as well as product registration together. So, it is a semi-regulated countries and some countries are non-regulated which are directly doing the product registration. They did not require plant registration. In their respective country, they did not require plant registration. So, we directly do the product registration.

Giri: Okay. Yes. Sir, with that said, right, okay, many of these large players, they have a, if you look at the gross margin, it is uptick of 30% plus. So, we are a more focused small player, right? Okay. So, what kind of margins we will enjoy in these countries when you have footprint or you envision?

Harshad Rathod: Yes, we are focused. Margins are different according to the product mix. So, we are not that much clearly say the somehow product just like a tablet gives a more margin or liquid gives a little margin, less margin as compared to tablet or external preparation that ointment cream that give you the good margin.

So, depend on the country and depend on the product mix, the overall our EBITDA stood around 20% to 22% around and gross margin around 30%.

Giri: Yes. Okay. So, do not go product specific, but you are saying actually on a mixer level, a mixer level, you will make sure, okay, you are uptick of 25%, you are saying. That you will, the product mix will make sure, okay, 25% EBITDA margin is maintained in future...

Harshad Rathod: We are focusing on EBITDA and gross margin. It is around 20% or 22%. We are aiming that we are maintaining our margins according to product mix.

Giri: Understood, sir. Okay. Sir, but if you look at our current recent results, right, okay, there is a drop-in margins. We had about 23.5% margin. Now, it is down to 16%. I see the other expense part. Is this one-off event or this will continue? Because why this, you know, downside margin? margin, sir.

Harshad Rathod: Our gross margin is downward due to that we are product mix and we are going to for volume that taking we are all this. As well as our recently about that expansion is going to the product registration in which we are that our expense will go for that product registration, product development and everything is depending on that expenses right now that our input cost is right now and our that operating expense during the scale-up is higher compared to that.

But after some time, once our product is registered and we will get the good margin at we hoping for the good margin in future and we are targeting if we can increase that our margin as compared to right now.

Giri: Understood. Philippines is one country that we are working for both product and you said other one. So, how much of a registration cost goes through this for a country, sir?

Harshad Rathod: It should depend on country to country. Again, it should depend on the product mix. Actually, some products are required some type of dozier that country is depending the dozier, which type of dozier. There are so many types of dossiers are there. So, which detailing that some country?

Giri: Just give me a product and the process certification everything to acquire it. Will it take you crores or how does it work for a country like Philippines, which is a big country?

Harshad Rathod: Around -- yes sir. The product registration is around $2,000 or $5,000 tentatively approx. We are not confirming that because the country depending dozier is there. And the plant registration is around $15,000 or $20,000 tentatively plant registration, approx. depending on the country.

Giri: Okay, okay.

Moderator: Sorry to interrupt. Mr. Giri, I would request you to kindly rejoin the queue as there are other participants waiting in the queue.

Giri: Sure, sure. I have two more questions. I'll join with you. Okay. Thank you.

Moderator: Thank you. The next question is from the line of Arun Jain from Nuvama Wealth. Please go ahead.

Arun Jain: Hi, sir. Congratulations for a very good set of number and also very good balance sheet post your listing. So, a few questions which I want to understand though your PPT is extremely good PPT.

So, first question is that whenever as a pharma analyst who's tracking since maybe 15, 20 years the pharma industry. First, I would like to understand that what is your specialty, right? You have mentioned multiple things, right?

Anti-infective, multiple therapeutic areas, but every country, company over the period of time become a one specialized or maybe two, three therapeutic area which because ultimately if you do everything you may not have so much of cost competitiveness, right?

Over the period of time you will just struggle with the multiple cost lever because these are the whatever you have mentioned in PPT they always go through a cost item. So, ultimately, we focus on three, four therapeutic area.

We will always struggle with the or our gross margin will always fluctuate, right? That is the history which I have tracked for many, many companies, right? So, this is one question that what are the therapeutic area you are -- you more looking to specialize or focus?

Second, in domestic market what exactly you are doing? So, in domestic market you have mentioned a lot of products, but first what are the therapeutic area? Second, which are the market because I have not seen your product especially like state like Maharashtra, right? So, this is the second question. So, if you can, give you a little bit detail.

And third question is that when you say that you have 160-day of working capital days. So, can you bifurcate that what exactly the, like, you have three, four businesses, right? One is obviously that contract manufacturing, second is export and third is the domestic.

So, can you bifurcate that each business have which kind of working capital days so that we can understand that over the period of time that if you grow something then where the working capital may move and then we can model our number according to that. So, this is my very specific three questions. Over to you sir.

Vivek Patel: Very good morning. Yes, for your first question I would like to answer that. As we mentioned in our presentation and in my speech also that we are CDMO manufacturer like we are contract development manufacturing organization. So, we usually like according to demand we can cater them. So, according to our customers demand we are catering all the segments.

We are not particularly focusing on any particular segment like only antibiotics or any cardiac product or any particular segment, but we are having the broader product mix. So, we are catering and that is our advantage that we are having the broader product mix.

So, we can attract more customers as you know in the domestic as well as the export market there are wide range of products available in their portfolio, in the customer's portfolio and the demand of each and every product is there.

So, we are trying to cater them as a whole, like, we are managing their portfolio as a whole and we try to give their product mix. And as you know, as you said that the cost is higher as compared to like if we focus in particular segment then the cost will be lower. That's right, but we are now focusing on the raw material optimization. We are also in the process of like, vendor qualification process and everything.

So, we optimize our suppliers and also, we ask, we means on the monthly basis we just analyze our demand like what are the materials we need in the bulk or what will be the demanded in the future. So,

accordingly we can procure the material in bulk and accordingly we can reduce our manufacturing cost, raw material cost and eventually it will affect on the EBITDA and the PAT margin.

So, these two questions hope you are satisfied with my answer. And for the third question about, my Finance Analyst will guide you.

Jeet: Hello, good morning.

Vivek Patel: Jeet sir, please go ahead.

Jeet: First of all, I would like to brief on your first two questions as well because we are into a CDMO. In CDMO, what we do we manufacture for someone else who are the distributors and who will give us order.

So, it's a basically B2B model and according to this and we are into more than more in export markets. So, basically your question was that in state of Maharashtra you are changing our product. So, because of that we are almost 70% is in export market and 30% around is in a domestic market. That is the reason behind that.

And in working capital, I can brief you in domestic and in export and in own export as well because in export there are also two parts. One is merchant export and one is direct export from the company. So, in that we can have a daily analysis like one on an average we are having a 180 to 190 days working capital. And in domestic we are having a lesser than working capital in days, calculating days. It's almost about 140 to 150 in between. But in export market we have to wait for the shipments and as well as payments from the shipments. So, working capital days are extended into that near about 190 to -- 185 to 190 days. So, on an average working capital days is 190 around.

Arun Jain: Yes. So, when you mention in your PPT that you have a domestic sales of 30%, does it mean that you are you having a brand or it means that domestic sales is also contract manufacturing?

Jeet: It's a contract manufacturing only as of now.

Arun Jain: Sir, thank you. Then the presentation should be a little bit different because when you say and highlighted in your presentation that a lot of product with your names, then it gives a little...

Jeet: Yes. Yes. It is because we are manufacturer of that. So, in the particular product you will get the manufactured by Accretion Pharmaceutical Limited and marketed by the person who is the who is giving us a manufacturing contract. So...

Arun Jain: I got it sir. I got it. Therefore, I may not be able to see, but when I go and check who is the manufacturer then your name will be visible in domestic market as well, right?

Jeet: Yes.

Vivek Patel: Okay. Let me explain you further that in presentation we have mentioned the photographs of brands. There are the you can see the brand names are not mentioned. We have mentioned the generic names. So, what are the combinations we are manufacturing that we have mentioned. What are the therapeutic segment we are focusing or we are manufacturing that we have mentioned. We have not mentioned any brand names.

Arun Jain: Yes. I got the point. I got the point. And so, can you name it four or five your clients, sir? Is it possible to share?

Vivek Patel: There are many clients in the domestic as well as export market, but we cannot...

Arun Jain: At least like top five?

Vivek Patel: Due to their regulatory requirements, we cannot share on this platform, but...

Arun Jain: No problem.

Vivek Patel: Thank you.

Arun Jain: Sir, any kind of margin revenue guidance you guys are providing as of now for next 2, 3 years?

Vivek Patel: It it will be like stable or more towards the increasing mode. But as you know that we have to work on the, like, we are working on the cost part. We are optimising the raw material cost and everything. And also, you know, that there are one-time expenses like registration cost and everything, that also affects on the EBITDA and the GP, gross profit. So, eventually we are focusing on the stable and the upward growth in the further years.

Arun Jain: So, let us look at in different way that in FY '24 your balance sheet size was close to maybe INR27 crores. So, you have done 2x of your asset, I mean, say, balance sheet to your sales ratio, right? Now the balance sheet has become almost like INR60 crores.

Should we look at this way your sales growth and margin you are saying that there can be some kind of improvement, but how one should look at your sales growth, sir? 2x of your asset, 2x of gross block which way one should look at? So that we can or any kind of guidance you would like to give for sales for FY '26- '27?

Jeet: We are we are aiming the percentage of growth which we previously already done in this particular half year. And in upcoming half year, we are expecting the same momentum and in further years we are expecting the same momentum for the upcoming sales as well.

Arun Jain: Do you mean to say, - you have done almost 130% YoY growth. You mean to say that in FY '26 we can except the same growth momentum?

Jeet: We are expecting the same momentum,

Arun Jain: Okay. So next year also the sales will double according to you, right?

Jeet: I cannot say directly to double, but the percentage which we are already having, we are -- which are achieving already, we will do it better on that.

Arun Jain: But sir, you have done extremely well,

Jeet: Yes, of course. That is what we are saying. That is what we are saying. Even in this year, upcoming 6 months and in a later years, are expecting a good momentum. We are expecting same momentum. So, it may be those figures which we are asking, but we cannot aim as of now.

Arun Jain: No, problem, sir. No, problem, sir. So, you say, just to summarize that probably the margin will be good from first half level to second half and second the kind of number you have delivered in first half on Y1 basis you will maintain this?

Jeet: Of course. You will...

Arun Jain: So, PAT will be closer to INR10 crores?

And you are saying because of you have complete clarity of order book and all these things?

Jeet: Of course. We do have a good order book as well. And of course, we have done new countries. We already done a new product as well and last year, last two -- past two years the products are already established now so we will get revenue from that as well.

Arun Jain: Great sir. Thanks a lot and wish you good luck for future endeavors.

Moderator: Thank you. The next question is from the line of Deepak Poddar from Sapphire Capital. Please go ahead.

Deepak Poddar: Thank you very much for this opportunity. So just wanted to dwell more on what previous participant was asking. In terms of momentum you mentioned the second half also we expect the same momentum. Now for the first half our base was small and we kind of grew by about 136%.

Now in the second half last year we were at a base of around INR39 crores. So, to grow at the same rate, I mean, it will be a very big number ideally and what gives us confidence that we can have the same momentum in second half at a higher base of last year's second half.

Jeet: For that I have to go with this a little bit history part. We were having good orders and good products in our hand as well in last year as well, but now once we -- our company got listed and we do have a good working capital in our hand, so we utilise them and with the help of this working capital we are able to provide whole sales and our capacity utilisation are at optimum.

And we will utilise our resources more and optimum utilisation will be there. That is the confidence behind us. And already we had done in this particular half year with these sales. So, we are expecting that we can do in the next half year as well.

Deepak Poddar: Okay, okay. Yes. So, ideally, I mean, if I have to say last year if I take entire year as a whole, INR57 crores was your top line. So even you have to see 150%- 120% growth in this year, your revenue has to be around INR120 crores to INR130 crores with first half being...

Jeet: First half we already achieved 43. And I am saying the percentage of that what we had already done from the last year, so but of course the results would be more better than last year closing. I cannot say as of

now we are expecting 115 or 120, but we are expecting a good results on performing rather than completing March '25.

Deepak Poddar: Okay, okay. Understood. And in terms of margins, I mean, you mentioned because of the product registration, the expenses have gone up. But on a steady state basis is 20%-22% EBITDA margin is what we should look at. But is that the margin which would be visible from the second half itself or by when we are expecting the steady state EBITDA margin?

Jeet: That would I like to address. That I would like to address. Of course, you are being a financial analyst, so you also know that during the scaling up the business by the revenue you have some growth expenses which we are also having like a product registration and country registrations and some other operating expenses as well.

All these expenses are just because of scaling up the business once the business is at maturity level, these costs are automatically reduced and we will have a good EBITDA margin just like before we were having 20%-21% EBITDA margin. As of now we are having a 17% EBITDA margin. So, we are expecting by the time we will reach by that EBITDA margin.

Deepak Poddar: Okay. No, so in terms of timeline if you can provide, I mean, what next year, FY '27 is?

Jeet: In parallel, sir, our company is in now growing stage. Once these particular registrations will complete, we will put more registrations in more countries. So, of course, these expenses will be there on that part. But our revenue will grow and our EBITDA will grow by the numbers and not in percentage.

Percentage we will maintain by the time, but as of now we are growing. As we are growing so we have to make many expenses as well for the

old registrations and more and more products and more and more countries to cater.

Deepak Poddar: Okay, okay. I got it, sir.

Jeet: So, focusing on revenue growth, sir, we are expecting that our revenue we will catch the revenue and establish our brand as well, so we can have a better profit in futures as well.

Deepak Poddar: Okay. I got it. And how many products is currently under registration process right now?

Jeet: More than 100 products are in under registration as of now, sir.

Deepak Poddar: Okay, okay. And this is across these major countries that we spoke about? Cambodia, Rwanda?

Jeet: Across the board. Cambodia, Rwanda, all the countries we can.

Deepak Poddar: Nigeria and Malawi, is the new one?

Jeet: Yes, yes.

Deepak Poddar: Okay, okay. I got it. And just can you dwell, this last question from my side. Can you dwell more on the branded sale? I mean you touched upon this topic, I mean we are also focusing on branded sales. So, can you throw some more light what we are -- what we intend to do?

Jeet: Of course, sir. I will give you a brief on that. Once our products are established through merchant exporters and people of that those countries are also well known with the Accretion Pharmaceuticals Limited, and then we can establish our product in our brand name and those products will get a more better margin.

As of now, export merchant exporters are having good margin with direct sales to them. And of course, we are having good margin in

merchant export as well, but margins will significantly increase by having our own brand name. And of course by the time all the pharma which we can compare having a one, two, three, five major branded items from which they can have a very good PAT.

Deepak Poddar: And this branded sale we are going in African markets itself?

Jeet: Of course in African markets. We are catering as of now those markets only.

Deepak Poddar: Okay, okay. And currently share would be very small, I mean, any revenue we have from branded sale right now?

Jeet: We are having a small portion as of now. We are already making direct export, but it's a portion -- portion is very small as of now.

Deepak Poddar: Okay, okay. Okay. I think that would be it from my side. I wish you all the very best. Thank you so much.

Jeet: Thank you. Around 10% we can mention as of now direct export.

Moderator: Thank you. The next question is from the line of Rajindra Valsalan, an Individual Investor. Please go ahead.

Rajindra Valsalan: Good morning. So first my congrats to the promoters, management and team for the successful listing. And I looked at all the recently listed companies, rated them, ranked them on the operational performance, scalability, financial flexibility and management strength to back the scalability. And happy to say that Accretion Pharma looked promising and hence my interest.

And hence my question is, what plans do you have and progress you've made in any rapid scaling, especially large CDMO contracts? And do you have any large order book visibility at this stage or in the pipeline? Can you please throw some light as much as you can at this stage?

Jeet: Of course, we are having a good order book as of now. And that is why we are expecting same momentum for the upcoming quarters as well. We are having also our strategy is that we will grow up and rapid sales for a particular upcoming year as well. We are having those strategies and we are implementing them as well.

Rajindra Valsalan: Thank you. Thank you and wish you all the best.

Jeet: Thank you. Thank you.

Moderator: Thank you. The next question is a follow-up question from Giri, an Individual Investor. Please go ahead.

Giri: I think I got a lot of my questions cleared by other people on the queue. However, sir, I mean, thanks for the detailed explanation. Sir, I'm looking at our balance sheet. I see that it's very certain that for us to grow we require working capital. Correct, right? I see both our short-term and long-term borrowing, right, have come down drastically. Why is that sir?

Jeet: Loans are dropped off, which we already mentioned in DRHP as well. We were reducing the loan repayment. It was an object and loan repayment was there. That is what we already paid. And working capital as well, because we are having working capital for upcoming years and we are using that. Just because of that you can see that.

Giri: How much of our working capital we have, sir? Because I see our inventory also looks a bit high of INR20 crores inventory, right? So, how much of our working capital we currently have, sir?

Jeet: We are having 180 to 190 days working capital as of now.

Giri: Sir, with this current capex that you have gone through, right? About 40% increase in production capacity is what you mentioned, right?

Jeet: Yes.

Giri: So, what kind of a turnover post this capex our plan can do, sir, on an upper level?

Jeet: I think we already answered on that. We are expecting same momentum. So, we cannot give a perfect number as of now, but with these growth, we are expecting the same growth will come in upcoming quarters as well. So, we will perform according to this in future as well.

Giri: Okay. So, you won't be able to quantify this with this particular capex install. We can do max of INR200 crores of revenue with one shift, something of that certainty?

Jeet: Can you, sir, please repeat the question?

Giri: No. My question was actually with the 40% increase in production capacity post IPO proceeds, right? So, at max, what is your revenue contribution from the capacity that we already have in place, sir? How much this asset can yield us? What kind of a revenue contribution?

Jeet: I will answer this. It thoroughly depends upon the product mix of the company. We are having different -- five different segments. So, all of the mix will come to that and utilization will be according to that only.

Giri: Okay. Understood. Okay, sir. All the very best. Thank you.

Jeet: Thank you.

Moderator: Thank you very much. As there are no further questions from the participants, I now hand the conference over to Mr. Vivek Ashok Kumar Patel, Promoter and Managing Director from Accretion Pharmaceuticals Limited for the closing comments. Over to you, sir.

Vivek Patel: Thank you, all the investors and analysts, for your questions. We have answered them and they are satisfied with our answers. Before I conclude, I would like to acknowledge the unwavering support of our employees, customers, partners, and of course, shareholders.

It is their belief and contribution that enables us to dream big and deliver consistently. As this is our maiden earning conference call, we look forward to engaging with you, understanding your perspectives, and building long-term relationships with investor and analyst community. Thank you once again for your presence and support.

We remain committed to transparency, performance, and sustainable growth. Every pill, every partnership, every new market we enter carries the same promise to heal more, to reach further, and to build a tomorrow where healthier healthcare is not a privilege, but a shared right.

Together, we, with our people, our partners, and the millions we serve, we contribute, we continue growing for a healthier tomorrow. Therefore, in one line, growing together for a healthier tomorrow. And I am confident that the journey of Accretion Pharmaceuticals will be one of value creation for all the stakeholders. Thank you so much.

Moderator: On behalf of Accretion Pharmaceuticals Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.